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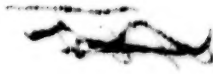
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A
REVIEW
OF "AN
"EXPOSITION
"OF THE
"DIFFERENCES EXISTING BETWEEN DIFFERENT PRESSES AND
"DIFFERENT LINES OF TELEGRAPH, RESPECTING THE
"TRANSMISSION OF FOREIGN NEWS!"
BEING
A LETTER
AND
ACCOMPANYING DOCUMENTS,
ADDRESSED TO THE
Government Commissioners of the Nova Scotia Telegraph,
BY
DANL. H. CRAIG,
TELEGRAPH AGENT N. Y. ASSOCIATED PRESS.

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The Public Press and Merchants are respectfully invited to investigate this subject  
without "fear, favor, or partiality."  
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HALIFAX, N. S.

1850.



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*Office of the North American and European }
Telegraphic Commercial Agency. }*

HALIFAX, N. S., March 16th, 1848.

**To the Honorable Joseph Howe, the Honorable George R. Young
and William Murdoch, Esquire, Government Commissioners of
the Nova Scotia Electric Telegraph.**

GENTLEMEN:—I am well aware that, as a private individual, I can have but small claim upon the notice of your honorable Body or upon that of the Public, in any controversy that may have arisen between myself and other parties here or elsewhere, in relation to the Telegraph and Foreign News. Should, therefore, any apology be required for the steps I am about to take, in calling your attention to the existing difficulty, as set forth and *be-Fog'd* in the recent pamphlet of F. O. J. Smith, relative to the use of the Nova Scotia Line of Telegraph for the transmission of my Despatch of Foreign News to the Associated Press of New York and Boston, I trust it will be found, in a sufficient degree, in the circumstance of my position, which has recently brought my name and unpretending movements into great prominence. Having the honor to represent here the New York Associated Press, and through them, all (with a very few insignificant exceptions) the commercial journals between Boston and New Orleans and between New York and Quebec, Mr. Smith's purposes, in regard to those journals could not well be consummated without first sacrificing me upon the altar of his *vengeance*—and hence it is that I am indebted for the doubtful honor of his particular notice.

It is well known to you that Mr. Smith has resorted to various expedients—some of a very exceptional and arbitrary character—to *coerce* every Line of Telegraph between Halifax and New York into the adoption of such rules and regulations, in regard to the preparation and transmission of the Foreign News public despatch, as he saw fit to dictate. In the furtherance of this idea, and for no proper cause shewn, as I respectfully submit, he assumed to dictate, in a very offensive manner, to the Associated Press, as to whom they should employ at Halifax as their correspondent—his wish being to place a *convenient tool* of his own here, in the person of one *John Smith*, in order, as has been publicly charged, and as is generally believed by those who know F. O. J. Smith's *unscrupulous character*, that he

might thus secure the entire direction of the Foreign News Despatch, and convert the five or ten thousand miles of Telegraph leading from Halifax, into one stupendous engine of speculation and commercial "piracy." Whether true or false, this appears to be the most reasonable construction to place upon his motives;—else, why should he insist upon the displacement of an agent who had, for over a year, given entire satisfaction to the Associated Press of New York and to all other Associations south and west of that city, and to all parties east also, except *three* out of *ten* Boston journals,—three evening papers, *two* of which, it is well known in that city, are being *led by the nose* by one Charles O. Rogers, who, by the potency of *gin-cocktails* "freely" administered, has become the *willing tool* of the Smiths to work out their nefarious plans. That this man Rogers is a "fast" witness, will, I trust, be shown to your satisfaction in the course of this communication.

I shall, Gentlemen, in the course of this communication, attempt to satisfy you, that notwithstanding the many issues now presented in Mr. Smith's pamphlet, *originally* a single one—and that raised by an arbitrary and unjustifiable exercise of power on his part—presented it in the way of a satisfactory arrangement between the Associated Press and the Telegraph Lines under Mr. Smith's control, and in the outset it is necessary, in order that you should appreciate the full force of my position, that I should briefly advert to the movements of one *John Smith*, who arrived in this city from Boston, about the middle of November last, representing himself to you as the authorised agent of the Associated Press. You will recollect that, by his bold and unscrupulous falsehoods upon this point, he so far succeeded in his dishonorable purpose of forcing his services upon the Associated Press, as to obtain your assent to his transmission of one Steamer's despatch over the wires to them, which, as will appear by their statement annexed, was *forced* upon them against their wishes by F. O. J. Smith—who, in all respects, so far as this controversy is concerned, should be regarded as the *master* of *John Smith*. Immediately on the arrival of the news despatch at New York, the Committee of the Press, as you are aware, gave the Superintendent of your line express orders to send no more communications to them without my sanction—and also stated that they would have nothing whatever to do with *John Smith*. Repudiated by the Associated Press, this *John* then hoisted an opposition flag, and claimed to be the agent of three evening papers in Boston, whose publishers, at the instigation of the man Rogers, (who

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had been brought over to the views of the two Smiths) withdrew, at about this time, from the *Boston Associated Press*, and set up business upon their own hook. This took place, as appears by Mr. Smith's pamphlet, on the 27th November.

During the succeeding half month, no complaint was made by either of the discontented *plotters*, probably from a confident belief in the omnipotency of the Smiths, and their consequent ability to give the news *first* to the three evening papers, which, it was conjectured, would *force all the other Associations* to come to terms with them; and thereby the *grand object of securing the agency here to John Smith* would be happily consummated.

To satisfy you that even up to the 11th of December, Mr. F. O. J. Smith had no intention of questioning the propriety of the arrangements actually entered into between the different Lines and the Associated Press, I beg your particular attention to Mr. Smith's *own exposition* of the *true* relation subsisting between the parties to the present controversy:—

Boston, December 11, 1849.

To L. R. DARROW, Esq., Superintendent New Brunswick Telegraph, St. John.

"By the contract which I have with the New York Associated Press, extending from New York to Portland, and concurred in by the Maine Telegraph Line to Calais, it is provided, that all despatches for the press, or any portion of the press, or for private persons, that reach the office prior to the despatch of the Associated Press, shall be promptly forwarded, each in its turn, up to the moment of the coming in of the associated despatch, and then, and then only, does the Line give precedence.

"We have never deemed it the legitimate business of the Telegraph to suspend the working of the line, for any price or person, to enable a despatch not in, to have precedence, or to gain advantage, whether for the press or private persons.

"When the lines were extended east of Portland, it was understood, that the same rules and principles of governing the business of the Telegraph, should be adopted by the terminal as well as intermediate offices.

"Without this, there is an end to all legitimate and all harmonious business between different lines."

I think there is but one rule for your line to adopt, and that is, to send whose ever and whatever despatch over your line, that first reaches it from the Halifax Line, up to the time when the latter line notifies you of the reception of the Associated Press despatch.

(Signed) F. O. J. SMITH.

You will observe that Mr. Smith wrote the above under the *mistaken impression* that other parties were not to be allowed to use the wires in advance of the transmission of the despatch to the Associated Press, however much they might reach the Telegraph Office in advance of the agent for the Press—but you will bear me witness that the Associated Press have never expressed a wish through myself or any other person authorised

to speak for them, that other parties should be debarred the use of the wires for the transmission of public or private despatches, provided the same could be got off from your office in advance of the presentation of the despatch for the Associated Press. Mr. Gisborne, as well as you and myself, have always understood the matter exactly as Mr. Smith, in the foregoing extracts from his letter to the New Brunswick Line, *desired* that it should be understood, to wit:—"that all despatches for the Press, or any portion of the press, or for private persons, that reach the office prior to the despatch of the Associated Press, shall be promptly forwarded, each in its turn, *up to the moment of the coming in of the Associated despatch*, and then, and then only, does the line give precedence."

Such, then, Gentlemen, was Mr. Smith's understanding of the obligations under which he and his line were bound, and by which he desired that all other lines should be bound to the Associated Press on the 11th of December, which was half a month after the three evening papers at Boston had withdrawn from the Association, and before he ascertained the *important fact* that *his agent* could not outstrip me in placing the foreign news first in the Telegraph Office, and of course thus failing in ability to give it first to the evening papers.

After *John Smith* was repudiated by the Associated Press, his formidable arrangements here for procuring the news from the steamers was, as you are aware, matter of public notoriety, —large drafts were made by him upon the pockets of his backers—boats and boatmen—fishermen and practised bullies and blackguards by scores were employed, and large rewards were offered to excite his men to "brave deeds"—*horse-flesh suffered immensely*—and indeed no efforts were left untried that could by any possibility contribute to his success. But his *greatest efforts* were *utter failures*, and after satisfying himself of the impossibility of even reaching the Telegraph Office with the news in advance of me, he suddenly left town and returned, like a *whining puppy* to his *master* at Boston—turning over, however, before he left, his Telegraphic Agency business to Mr. E. S. Dyer, towards whom, personally, I entertain no feelings of unkindness, and only regret that he should be found co-operating with parties whose most *holy aspirations* never yet ascended above the *pot-house* and *brothel*.

At or about the time *John Smith* returned to Boston—and after having exhausted every false, mean, and unprincipled artifice to supplant me in the foreign news agency—*then* it was that this immaculate F. O. J. Smith, seeing that my presence

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here must inevitably crush his darling scheme of villainy, made the *astounding discovery* that I was the possessor of a few *carrier pigeons*, and *therefore*, must be instantly discharged from the employ of the Associated Press, and from all connection with the Telegraph! With the speed of lightning a "Bull" of excommunication against me and my innocent doves was sent forth over ten thousand miles of telegraph wires, and as it is a *curiosity* in the "Bull" line, I beg to transcribe it:—

December 31st, 1849.

Messrs. HUDSON & RAYMOND, New York:

I have waited without any new information from you on the subject of my last letter. I have now all the evidence I can ask, of Craig's reckless system of business over the telegraph. Until he totally abandons the use of carrier pigeons, I shall refuse transmitting any despatches from him, over either the Portland, or the Boston and New York line of Telegraph. It is a decision, of both self-defence and public policy, from which I shall not recede. If the Associated Press will employ an agent of his,—in utter disregard of the interests and responsibilities of our telegraph lines, they must expect counter measures of defence will be adopted. They will be by me, at least.

F. O. J. SMITH."

You will, Gentlemen, I apprehend, be puzzled to find any expression in the above that can be tortured into any dissent from the *principle* upon which your line and other lines were governed in the matter of preference in the transmission of the despatch to the Associated Press—but Mr. Smith poured out all the vials of his wrath upon my devoted head—and why? was it *really* because I chanced to own a few carrier pigeons, or was it because he at last discovered that my superior activity in procuring the foreign news for my employers, was calculated to crush his scheme of villainy, which, it is fair to presume, he wished to carry on through his *subservient tool*, John Smith?

Besides, at the time Smith issued his "Bull" against me, it was well known to you and to every individual in this city who took any interest in the matter, that I had never used nor attempted to use one of my pigeons in this place for any purpose whatever—nor have I to this day made any use of them—and whether I shall ever use them here or not will depend upon the necessity that may arise for protecting the interests of the Associated Press, and through them, the public, from the "piratical" demonstrations of the Smith's and their confederates.

To Smith's impertinent demand for my dismissal, the Associated Press replied as follows:—

THE EUROPEAN NEWS—TO THE PUBLIC.

Mr. F. O. J. Smith, the President of the New-York and Boston Telegraph line, and owner of the Boston and Portland line, has caused to be published two letters, written by him, one to the Committee of the New-York Associated Press, and the other to the Commissioners of the Nova Scotia Telegraph line. The first demands of

the Associated Press, the immediate dismissal of their agent at Halifax, because he owned a few carrier pigeons, or the alternative of *having all their Telegraphic messages from that point stopped at Portland, although three several Telegraph lines intervene between his line and Mr. Craig's operations.* The letter to the Nova Scotia Commissioners—Government officers—demands the instant discharge of the Chief Operator in their employ; but the penalty, in this case, of a refusal to comply with the demand, is not stated.

That the public may not be misled in this matter, the Associated Press deem it proper to make the following statement of facts, not with a view to parade their arrangements before their readers, but in order that they may understand the power of the magnetic or electric telegraph in the hands of one man, or a set of men, upon the commercial transactions of the country.

About a year ago, the *Journal of Commerce, Courier and Enquirer, Herald, Sun, Tribune, and Express*, through their Committee, in an interview with Mr. L. R. Darrow, the Superintendent of the St. John's Line, then nearly finished, arranged to run an express, on the arrival of each steamer at Halifax, from that point to St. John, N. B., the eastern terminus of the Telegraph at that time, on condition of having the privilege of transmitting a despatch of three thousand words to Boston and New York, leaving copies if wanted, at the intermediate towns and cities. The press were granted the exclusive use of the wires from the moment their despatch was offered until it was finished. This was deemed necessary to warrant the vast outlay anticipated, and as a protection to the public. Other parties, however, were not shut out from the use of the wires. If they could anticipate our agent at the telegraph office, their messages were sent through to their destination.

The arrangement thus made with Mr. Darrow extended from New York to St. John, and to Halifax, when the line reached that city, and was based, in regard to price, &c upon a previous contract of a year's standing with Mr. F. O. J. Smith, for the transmission of the steamers' news from Boston. After the papers were signed, Mr. Smith, for certain reasons, refused to be a party to it, and a separate agreement was, therefore, made with him for the use of the lines under his control. In all these arrangements, however, the names and character of the agents to be employed by the press, were not mentioned. There were two competitors for the agency, and the "superior activity" of the man, and the recommendation of two or three editors in Boston, in the association, induced us to employ Mr. Craig, the present agent.

The Associated Press, previous to this new enterprise, had employed the express steamer Buena Vista to run from Halifax to Boston; and at the time of effecting the arrangement with Mr. Darrow, five of the associated papers had the steamer Newsboy employed in cruising off Sandy Hook, for the European steamers. The news brought by the Buena Vista cost nearly \$1,000 each time it was transmitted to New-York, and the expenses of the Newsboy were at the rate of over \$20,000 per annum, which were cheerfully paid by the *Courier and Enquirer, Herald, Journal of Commerce, Sun, and Express*, the owners of the steamer at that time. After the overland express from Halifax to St. John was established, the Newsboy was withdrawn, but the cost of getting the European news increased. An examination of the bills of the last year exhibited the enormous expenditure, in that short space of time of \$29,700, most of which went into the pockets of the telegraph companies.

These few facts are merely stated *en passant*. They have, perhaps, very little to do with the principles at issue with Mr. F. O. J. Smith, who seeks to dictate to the merchants and others what agents in New-Orleans, Liverpool or Halifax, they shall employ to do their business. These facts, however, will serve to illustrate the position in which we are placed.

There was no difficulty with Mr. F. O. J. Smith during the time the Buena Vista brought the news to Boston hours and hours in advance of the English steamer. He interposed no objection then to the transmission of her news over his wires to New-York. There was no difficulty with Mr. F. O. J. Smith when the Newsboy brought the foreign news ahead of the steamer to this port. He interposed no objection then to the despatch of the news, by telegraph, to Boston. There was no difficulty with Mr. F. O. J. Smith when our overland express reached St. John one and two days in advance of the arrival of the European steamer at this port. He interposed no objection then to the transmission of the news to New-York, although, as he well knows,

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It was the easiest thing in the world to fly a flock of carrier-pigeons across the Bay of Fundy, hours ahead of the express. It was not until the wires were carried to Halifax, that our agent became so very obnoxious to Mr. F. O. J. Smith. It was then that the press were given to understand that another agent must be employed.

We were informed that our agent would use the facilities of the Associated Press to prey upon the mercantile community, and that the wires would be cut in the rear of each American market to which the pigeon would be dispatched. We were advised to employ another agent, who had been kindly selected for us in Boston. This new agent was indeed sent to Halifax, endorsed in the advertising columns of two Boston papers, by Mr. F. O. J. Smith, as possessing superior facilities over his lines; and one of the messages of this agent was actually forced upon us, to the exclusion of our own, by F. O. J. Smith; and it was the arrival of this agent at Halifax, with his "superior facilities," that caused the appearance of the carrier pigeons. The Committee of the Press, to all the charges against our own agent, and to the suggestion to employ another, informed Mr. F. O. J. Smith that the Press could not injure a man's character by discharging him on the mere assertion of another; but that if the charges against the obnoxious agent could be proved, he would not for another moment, remain in our employ. The charges continued to be made; but no proof was furnished.

About the middle of last month Mr. F. O. J. Smith wrote to the Associated Press, that as the evening papers of Boston were not connected with us in the reception of the news, he would consider our arrangements at an end. In reply, a circular was addressed by the Committee, on the 29th ult. to the superintendents of the several telegraph lines between New-York and Halifax, that a new contract was necessary, and that any paper securing its share of the cost of getting the 'steamers' news, could have a copy of the same. This was sent to Mr. F. O. J. Smith, as the Superintendent of the line reaching from New-York to Portland.—Before, however, it could reach him, he sent the following telegraphic dispatch to the Committee:

PORTLAND, Dec. 21, 1849.

HUDSON & RAYMOND: I have waited without any new information from you on the subject of my last letter. I have now all the evidence I can ask of Craig's reckless system of business over the telegraph. Until he totally abandons the use of carrier pigeons, I shall refuse transmitting any dispatches from him over either the Portland or the Boston and New-York line of telegraph. It is a decision of both self-defence and public policy, from which I shall not recede. If the Associated Press will employ an agent of his utterly disregardless of the interests and responsibilities of our telegraph lines, they must expect counter-measures of defence will be adopted.—They will be by me at least.

F. O. J. SMITH.

After the reception of our circular, he reiterated his demand for the immediate dismissal of our agent. *And yet not a carrier pigeon has been used; the beautiful and innocent doves remaining billing and cooing in their cote, and have not, to our knowledge or belief, flapped a wing for the Associated Press or any other party, since Mr. Craig has been acting as our agent.* Such an answer was wholly unexpected. We could not believe that any man having control of such a powerful element of communication from distant points would presume to dictate to the public the agents to be employed in sending messages over the wires. Although denying the right of Mr. F. O. J. Smith in thus dictating to us, we made inquiries into "Craig's reckless system of business;" and all that we could ascertain, was, that a man named Anderson, once in his employ, was detected in St. John in the act of cutting the wires. How far Mr. Craig was connected with this Anderson, in this affair, is to be seen in the following letter from Mr. L. R. Darrow, the Superintendent of the St. John and Calais telegraph line:

SAINT JOHN, January 4, 1850.

Messrs. HUDSON & RAYMOND, New-York:

A charge has been made against Mr. D. H. Craig, your agent at Halifax, as having been engaged with Mr. Anderson, in cutting the wire. *The Directors and myself have carefully examined all the evidence, which went to produce the charges, and the only foundation we can find to hinge even a doubt upon against Mr. Craig, is that he had employed this man Anderson, in connection with Mr. Till, of the New-*

Brunswick, the one to print, the other to carry his daily dispatches of the New York and Boston markers, to his patrons here ; and this, we think, should not have the least possible effect against him. I would advise the continuance of Mr. Craig as your agent until some proof shall be brought against him, or at least some strong probabilities. I am gentlemen,

With respect and esteem, yours truly,

L. R. DARROW.

Such is our statement. But, after all, it has very little to do with the principle in dispute between Mr. F. O. J. Smith (the owner of the line from Portland to Boston, the President of the line from Boston to New-York, and the reputed owner of one-fourth of Morse's patent) and the Associated Press of Boston and New-York. That is a matter of some importance to the community, who are daily sending important and confidential messages over the wires, with the expectation of their safely reaching their destination. It is, therefore, fortunate that the outrageous demand of Mr. F. O. J. Smith is made at this early day, and before the telegraphic system becomes a monopoly. It will be the means of opening the eyes of the commercial community, from one end of the Union to the other. It may prevent such a powerful element of communication from falling into the hands of grasping, corrupt and tyrannical men ; and, if so, we shall be happy to have been the cause of thus saving the public.

Meanwhile, however, the merchants, and, indeed, the whole community, should be on their guard. Our efforts to obtain the news will continue. We have expended upwards of \$50,000 in the last two years to give the earliest and the latest intelligence from Europe, and we shall not hesitate to expend an equal amount in the next two years for the same purpose. But between us and the news there are three hundred and fifty miles of telegraph wire, over which the press are not permitted to send a message, unless we consent to employ the agents selected for us by the manager of that line. *The commercial community are, therefore, for the present, at the mercy of the speculators.*

We now leave this matter. Those who are acquainted with the newspaper press of this city, or country, cannot fail to see that the separate and distinct interests embraced in our Association are quite sufficient for the protection of the public.

GERARD HALLOCK, Journal of Commerce.

CREELEY & McELRATH, Tribune.

GEO. H. ANDREWS, Courier & Enquirer.

BEACH & BROTHERS, New-York Sun.

J. & E. BROOKS, New-York Express.

JAMES GORDON BENNETT, New-York Herald.

New-York, January, 24, 1850.

You will, perhaps, Gentlemen, regard it a work of supererogation to add other than the foregoing high testimony bearing upon the point under consideration ; but that there may be no possible mistake in your minds as to public sentiment *outside* of the New York Association, I beg your attention to the annexed articles from one of the most popular daily journals published in the city of Boston :—

[From the Boston Daily Mail, Jan. 26, 1850.]

THE MAN OF THE LIGHTNING LINE.

Mr. Francis Orville Jonathan Smith, (we like to give a man the full benefit of his good name) the Manager of the Old Telegraph Monopoly, having got through with his first lesson in *sprouts*, feels as bad as a whipped schoolboy. He has caused to be published two letters, in which he attempts to justify himself for refusing to permit the despatch for the Associated Press of New York and Boston to come over the Portland

line of telegraph—thus subjecting the Associated Press to the trouble and expense of running an Express with the Steamer's news from Portland to Boston. His first justification is, that he will not permit despatches to be sent over his line by any one who employs *carrier pigeons*! Wonderful Mr. Smith! Has not any man as good a right to send news by carrier pigeons as you have to send it by lightning?—Most certainly; and a better right too; for there is no monopoly in pigeons;—any man may purchase pigeons and train them, whereas you claim a monopoly of lightning, by reason of letters patent to Professor Morse. You might as well declare that no man shall use your lightning who runs an engine or draws a handcart. Your objection to Mr. Craig, the Agent of the Associated Press, is not that he has used carrier pigeons. *That is merely a pretext. He has upset some of your schemes of monopoly; he knows your tricks "like a book;" you know that he is able and faithful to his trust; and you are determined to get him off the track, by fair means or foul.* By a perverted use of a private letter, you attempted to injure him with his employers; and failing in that you declare that no message from him or to him shall go over your wires! Imperious Mr. Smith!

A great time we shall have when Mr. Smith succeeds in a monopoly of lightning, and in compelling every one to submit to his dictation in regard to the Agent employed to transmit news. *Mr. Craig is acknowledged on all hands to be the most competent man to make up a synopsis of the foreign news ever employed in that department; and he is to be turned adrift because he once used carrier pigeons, and declared in a private letter that he would sell the news thus obtained to any one who would pay him the highest price—just as he would a "string of onions."* And where, we ask, is the wrong in this? Has not Mr. Craig, when obtaining news by means of his own pigeons, as good a right to go into the market with his wares as Mr. Smith has to demand pay for his lightning? Mr. Craig did not set himself up as a common carrier; he ran his "pigeon expresses" on his own hook, and had as good a right so to do as any man would have to run a Steamer to England for the purpose of expressing the news. *It is a perfectly legal and legitimate business; and Mr. Smith, who sits himself up as a common carrier of news, under rules of his own making, has no more right to exclude the despatches of Mr. Craig than he has to exclude those of a man who follows the example of Gov. Briggs, and so far sets fashion at defiance as to appear in the streets minus a dickey.*

We repeat, *this appeal and complaint of Mr. Smith is mere pretext for covering his designs in regard to the foreign news east of Boston.*—Between Boston and New York there is now a very healthy competition, and Mr. Smith can no longer play his antics upon the business community here. But he controls the wires from Boston to Portland, and he is now attempting to control them all the way to Halifax, and to place creatures of his own in the news department at the latter place, in order to have a monopoly of the trade, and an opportunity to speculate on the news by means of cyphers in advance of the regular dispatch. Those who recollect the exposures we made of the dishonorable practices of the Telegraph Monopoly of Mr. Smith, in its incipient business as a "common carrier of news," will smile at the "high and honorable ground" attributed to him by the Evening Transcript. We are aware that the Transcript feels rather sore about these days,—but we did not suppose it was so far diseased as to attribute anything "high and honorable" to F. O. J. Smith. It has sung a very different tune in regard to that redoubtable personage; and it may have occasion to do so again before a year expires.

[From the Boston Mail, Jan. 29, 1850.]

The fact is, Mr. Smith, instead of exposing any delinquency on the part of Mr. Craig, only exposes his own desire to have all the appliances connected with the Telegraph in his own hands. He wishes to get rid of the "outsiders," and have everything in his own hands; and a beautiful monopoly it will be, when a personage so notoriously *tricky* as Mr. Smith can control the telegraph wires, and have the benefit of all the commercial news which arrives at Halifax at least thirty-six hours in advance of the regular merchants of Boston and New York!

In contesting your remark that "the managers of all other

lines, being a majority of the whole," concurred with you in giving the Associated Press the rights conceded to them, Smith says, (referring to the Maine Line):—

"One of these lines, to which you refer, receives your messages, not because it *elects* to do so; but, because its *charter compels* it to receive such messages, regardless of their origin, their character, or their consequences."

In reference to the New Brunswick Line, Smith continues:

"It is so far from acting under any sense of independent judgment, in suffering the *Craig* agency to monopolize the wires of that line, it acts from an almost discreditable *surveillance* to an agency which it *fears* more than it *respects* or has reason to confide in."

In answer to the slander upon the New Brunswick line, contained in the above extract, happily you are too well aware of the *materials* of which the Superintendency of that Line is composed, to believe that anything *human* or *divine* could inspire any such humiliating feelings as Smith describes.

In regard to the Maine Line, I have the best reason to know that Smith's allusion to the views of its managers is without any adequate foundation. In order that you may form an opinion as to the *probabilities* in the case, it is proper that you should be advised that F. O. J. Smith is a Director in that Line, and that the office of the Line at Portland is in Smith's building, and in the same room with the office of Smith's own Line between Portland and Boston. The position of the Maine Line is such therefore that its only safe policy lies in maintaining neutral ground. This, Mr. Eddy, the gentlemanly Superintendent, fully appreciates, and as the following correspondence will show, intends to adhere to. That Mr. Eddy, however, is perfectly satisfied with your present arrangements with the Associated Press I have the best reason to know, because he has frequently and unqualifiedly expressed to me his satisfaction with the arrangements that existed before the Line was extended East of St. John, and therefore, in the absence of any testimony to the contrary, it is fair to assume that he is satisfied now, as it will be shewn, I trust to your entire satisfaction, that the present arrangement between the Associated Press and the several Lines of Telegraph is substantially the same as has always existed—all the difference being against the Press and in favor of the Telegraph Lines and the Public:—

TO JAMES EDDY, Esq.,

Halifax, March 12, 1850.

Superintendent Maine Telegraph, Bangor.

If you were untrammelled by your charter, would you refuse to allow the Associated Press the advantages they now possess in the use of your line?

D. H. CRAIG.

To D. H. CRAIG, Esq.

Bangor, March 12, 1856.

Under the circumstances, allow me to decline answering your interrogatory.

J. EDDY.

I shall not detain you with lengthy comments upon the false and scandalous charges and insinuations made by Smith on the fifth page of his pamphlet, concerning the manner in which I discharged my duties to the Press and the Public during the time I superintended the Express between Halifax and St. John; but I cannot forbear laying before you the annexed certificate, which is from a party wholly *disinterested*, and who had better means of judging of my fidelity than any other person or set of persons connected with the Telegraph. It will be found to contain a complete refutation of Smith's charges, and also pointedly contradicts every material statement contained in Rogers's letter to Smith, upon the subjects to which it refers:—

OFFICE OF NEW BRUNSWICK TELEGRAPH, }
Sackville, March 12, 1856. }

This is to certify, that I officiated as Operator in the transmission of the foreign news despatches to the Associated Press during nearly all the time the news was received by Mr. D. H. Craig's express at St. John and Sackville, and I have no hesitation in saying that, to the best of my knowledge and belief the despatch was never delayed *one moment* from any inattention on his part,—so far from it, he always evinced the utmost desire to have it go *through the instant the Express arrived*. From my recollection of the Express, I should say that the news was in the Telegraph office in a majority of cases so that it reached Boston between twelve o'clock at night and twelve o'clock in the day. I should say, also, that the news was much more frequently detained between Bangor and Boston than it was between St. John and Bangor.

JOHN A. RAYMOND.

Having, as I trust, Gentlemen, satisfied you that F. O. J. Smith was perfectly content to give precedence to the despatch for the Associated Press, from the moment it was placed in the office, (which is all that the Associated Press have ever asked for and all that you have ever conceded to them) and as he offers you no evinence of his own dissatisfaction, nor even hints at any on the part of the three evening papers for some two or three weeks after they *voluntarily* withdrew from the Boston Association; and as I have shewn, I respectfully submit, sufficient evidence that neither Smith nor his *protoges* thought of finding fault with existing arrangements until they become satisfied that they could neither command the ingenuity, activity nor enterprize necessary to accomplish their purpose in opposition to the Associated Press, I beg to pass to the next scene in the drama, which, though it is wholly personal to myself, has, nevertheless, an important bearing upon the whole subject under consideration.

It is known to you that during the time John Smith was here, he took an office under that occupied by the Telegraph, and advertised himself as a general Telegraph agent—that he was guaranteed, by the “Hon. F. O. J. Smith, President of the New York and Portland Telegraph Lines” *exclusive privileges* in the transmission of *private communications* over the Boston and Halifax Lines—and this *Honorable*, conscientious, public-protecting F. O. J. Smith took pains to publish to the world the extraordinary qualifications possessed by the precocious *John*—and lest the Public and Press should not discover the *great truth*, he kindly informed them of their wants through all the Boston papers, as follows :—

[Extract from Certificate from F. O. J. Smith, attached to John Smith's Circular, issued at Boston, Dec. 6.]

“TO ALL PERSONS INTERESTED.—The establishment of a reliable commercial agency at Halifax, N. S., to act conjointly with the Telegraph as the joint conduits of private and newspaper correspondence between merchants on opposite sides of the Atlantic, is indispensable to the safety of merchants, and most needed for the reputation of the Telegraph.”

Then, after certifying to the fact that he “had encouraged” his namesake to establish himself at Halifax “*to act conjointly with the Telegraph*,” he proceeds to say, that “every advantage which the Telegraph Lines under my direction can afford, will be at all times most freely awarded to him.” And in conclusion, F. O. J. Smith says, “I do this knowing the *necessity* of it, and entertaining *full faith* in Mr. Smith's rendering the undertaking, which is by no means an easy one, worthy of both public and private confidence.”

Circumstances have since fully verified Mr. Smith's prediction, i. e. that the task allotted to *John* “was by no means an easy one;” for, after the most strenuous and unprincipled efforts to gain a footing for him in this city—after having accorded to him “every advantage” that could be commanded by *fair* or *foul* means over the Telegraph Lines, John Smith's *agency* here has, as you are aware, *fallen through*—at least, it has so, practically—and this, too, though he had the *brazen faced impudence* to make use of your honorable names without authority, as parties to whom he was privileged to refer to. It is true that he still retains his office here (and probably will continue to do so as long as he finds an *accommodating landlord*—but no person has been known to enter the office within the last two months, and I much doubt if any merchant here or elsewhere has yet been found sufficiently *verdant* to confide business to the agency to the amount of one penny.

John Smith and his friends went much beyond the assurances given him in the foregoing extracts from F. O. J. Smith's certificate, and in conversation *boasted* of his ability, through the omnipotent agency of his *master*, to render it impossible for me to compete with him in the Transatlantic Telegraph Agency business. It was whilst smarting under the unjust taunts and gross falsehoods of Smith and his friends that I addressed the following letter to him, which, as soon as received, true to his *instinctive meanness* and dishonor, he immediately passed over to his co-laborers, the man Rogers and F. O. J. Smith, and through their instrumentality mutilated portions of it were given to the public, and a vain effort was made, to manufacture much virtuous indignation against me:—

HALIFAX, Dec. 14, 1849.

JOHN T. SMITH, Esq. :

DEAR SIR,—Certain of your friends in Boston, as I have reason to *know*, are not only exerting themselves to benefit you, but they are doing so under the apprehension, apparently, that it is absolutely necessary that I should be sacrificed, and fairly hooted from the field to make room for you. And, to effect their purposes, they have resorted, among other expedients, to a system of the most outrageous mean, and contemptible falsehoods—falsehoods so base that a common highwayman or the midnight assassin would blush to be the author of,—to parties here, who are presumed to occupy positions that enable them to exert a *controlling influence* to my disadvantage. I am very reluctant to believe that these things are being done at the instigation of yourself, but the degree of intimacy that is known to exist between you and the base scoundrels of whom I complain, forces upon me very unpleasant suspicions, of which I would gladly be relieved.

Fair, legitimate opposition I expect from you, and am perfectly *willing* to encounter. Indeed, I should feel little disposed to find fault if you wished to carry opposition a trifle beyond this point,—but I submit, if it is not a little too bad, that you should seek to bolster up your position and credit for fidelity and faithfulness, by certificates from parties who are so notorious in every species of rascality, as is at least one of the persons who seems willing to evince his friendly feelings towards you, by publishing to the world that he is not less a big ass, than he is known to be, a big Roman, unmitigated scoundrel.

Now, sir, you and your friends may say, do, or attempt to do whatever you or they please; but there is one *fixed fact* that will always remain, and that is, that you will find me *here*—and neither F. O. J. Smith, any portion of the public press, yourself or friends, nor the devil himself, shall ever drive me from any position that I may see fit to assume. I am now here as the agent of the New York Associated Press,—a position which I have labored with my whole heart to fill in an acceptable manner, and in the faithful discharge of which, since last February, is found the only real cause that certain telegraph gentry now have for their contemptible *flings* at me. Whilst the committee of the New York Press see fit to confide their business to me, I shall not willingly nor knowingly disappoint their reasonable expectations,—among the very first of which, is strict fidelity and *superior activity*. Of the first of these requisites, I am sole master, and *am sure* that I never have been or shall be deficient of the second. I have only to say, that I will cheerfully resign the field to you when you prove your ability to serve them with more general success than I have done, or may hereafter do.

I observe, that you and your friends are laboring to make much capital out of the fact, that I was formerly engaged in expressing the news into Boston for speculative purposes, and also, out of the further fact, that I have now placed my carriers over the telegraph office in this city. My good fellow, you and your willing *tools*, are

wasting your powder upon this subject, and, to show you the insincerity of at least two of your friends, who are making fools of themselves by trying to frighten grown-up children by the terrible sound of carrier pigeon expresses, it may be well to say to you, that one of them only declined to join me in this "defrauding the public" operation, a year or two ago, "because," as he said to me, "of my (his) position," but wished me "entire success in your (my) legitimate and spirited enterprise." Your other friend, who now affects such a holy horror of all speculations, (except, I suppose, when, as formerly, he has a chance to swindle a few hard-earned dollars from some poor, ignorant, John Bull skipper,) was a direct applicant, on two different occasions, for the use of the foreign news, for speculative purposes, when I was in a position, at Boston, to gratify his wishes.

That I have my pigeons here is very true. I have never sought, nor desired any secrecy about the matter, nor do I wish to disguise the fact, that *I intend to make my birds available, for procuring foreign news from every steamer that passes within one hundred miles of the coast of Nova Scotia.* But this is a personal and private enterprise, and in the results of which, the press and the public will fully and fairly participate, if they choose to pay me a *quid pro quo*; if not, I shall assume it as a right to sell my news, as I would a string of onions, i. e., to the highest bidder. Neither do I wish to disguise the fact, that I intend to make my pigeons a means, whereby I may successfully compete with you, and finally drive you into retirement from the transatlantic general telegraphic business—a business that I consider you to have unfairly entered upon—and I tell you, candidly, that *I intend, and further, I will not fail, to beat you in placing the despatch for the press first in the telegraph office*; and by the same process, I will also place on file, in the office, copies of all the commercial despatches that may be confided to my agents in England, for transmission to the United States, so that they will be *first in order*, after the despatch for the press shall have gone forward.

Now, if you wish to *renew* your exertions, by *letters* and otherwise, to and with the officers of the steamers, in order to defeat, if possible, my intentions, I have not the least disposition to find fault. You shall be quite welcome to throw all the stumbling blocks of that kind in my way that you please, and I shall regard them now, as formerly, only as being thrown in to create for me a little pleasurable excitement, in planning and executing the dull details of my operations.

Neither do I care a straw what amount of "exclusiveness" you secure, on paper or otherwise, from F. O. J. Smith, or other superintendents; but if my communications, placed on file here in advance of yours, do not also go into the hands of the parties to whom they may be addressed, in advance of yours, I now give you and all your friends, in or out of telegraph offices, distinct assurance that *no* communications shall pass over the telegraph to Boston, after the news to the Associated Press shall have gone forward, until after the arrival there of the steamers; nor shall any despatches of mine, placed first in the office at Boston, be set aside, or passed over with impunity to make room for yours. I ask no monopoly, except what I can legitimately command by my own hands and my own activity, and I never *again* will submit to any. If you and F. O. J. Smith do not comprehend the full force of these words, you may both of you live long enough to get *examples* that will divest your minds of all doubt.

In conclusion, I beg to assure you that I entertain not the least unkind feelings towards you personally, and shall really be glad to have you return here. We shall all die without your presence.

Yours, very truly,

D. H. CRAIG.

This letter has formed a fruitful subject of comment, from Halifax to New Orleans—it has been hashed up and cut up in all manner of ways and shapes—turned inside out and outside in—misquoted, misjudged and villified,—but I confess that after mature reflection, I see very little in the spirit of the letter that I would wish to amend. I have yet to find the first *disinter-*

ested person who dissents from the broad ground assumed in the letter, that early news, legitimately obtained, is as much a marketable commodity as "a string of onions"—and I am prepared to maintain at all times and under all circumstances, that the business of transmitting early intelligence between distant points by the agency of carrier pigeons, is as honorable, as proper, and, under some circumstances, a far superior mode to that of the electric telegraph. The *threat*, if threat there is, in the letter, I am perfectly content should go for what it is worth.—I cannot, however, withhold my deliberate conviction, that should Smith or any other man, having the control of a line of telegraph, which was amenable to no law (as is the case with the line owned by F. O. J. Smith, between Portland and Boston) attempt to enforce the *exclusiveness* in *private despatches* to which *alone* my "threats" had reference, it would be the bounden duty of the public to raze every such telegraph post to the ground.

The second material position assumed by Mr. Smith in his pamphlet, is—

That the existing arrangement between the Nova Scotia, New Brunswick and Maine Lines and the Associated Press is contrary to all precedent.

In the outset of this branch of the investigation, it is important to ascertain what were the rules and usages by which F. O. J. Smith was governed before the "march of mind," as evinced in the efficient telegraph systems of Messrs. Baine and House, knocked the stilts from under him, and he ceased to reign as the "Autocrat of all the" Telegraphs,—the supreme director of all lightning intelligence on the North American continent. We may approximate the truth upon this point, by reference to the evidence which is supplied by Smith in his communication to you.

On page 27 of his pamphlet he gives you, under date, New York, May 13, 1848, a copy of a letter addressed to him by H. J. RAYMOND, Esq., then and now one of the Committee of the Associated Press. In that letter, Mr. RAYMOND says:—

"The Journal of Commerce, Express, Courier and Enquirer, Herald, Sun, and Tribune of this city, have agreed to procure foreign news by telegraph from Boston in common, and have appointed a committee to make arrangements with you for its transmission.

"Acting in behalf of that Committee of the Association, I beg to propose that you give us, from the moment our despatch shall be received at the telegraph office in Boston, the use of all the wires that may be in working order, for the uninterrupted transmission of all the news we may wish to receive.

"Upon what terms will you secure to us, for one year from the present date, the use of the telegraph as specified above?"

Two days after, to wit, May 16, (as also appears by Smith's pamphlet, pages 28 and 29) F. O. J. Smith replied to Mr. Raymond's letter, and the following are the material portions of it, to which I beg your particular attention :—

"I will contract the service of the Telegraph in respect to foreign news on this line, to the proprietors of the papers you name, for one year from this date, on the following terms.

"To give their despatch, on each arrival of a foreign steamer, priority on any one wire which may be in order for work through to New York, and on all other wires that shall be worked through to New York, from the time the Despatch shall be delivered at the Boston office, until its transmission shall have been completed. * * *

"You shall have the exclusive right to admit and to dismiss other parties to, and from the benefits of the arrangement, on giving the President of the Association, for the time being, written notice of the admission and discontinuance of each, as it shall occur.

"If you give other parties, private individuals, reporters, or presses, the use of news before put into public circulation in good faith, payment shall be made, as for a copy of the excess over 3000 words, be the same more or less, by each party so furnished, at the usual newspaper rates of transmission.

"I will accord to you the desired authority to prevent any part of the news from leaving the office at New York until you choose to send it out."

Such, then, Gentlemen, was the arrangement between F. O. J. Smith and the Associated Press, deliberately entered into by said Smith at a time when he had *sole controul* of all telegraphic facilities north of New York. That the arrangement was regarded at the time as an *odious monopoly* by papers which were *excluded* from obtaining the news in New York, I well remember—but no one, to my knowledge, ever found fault with the Association—they dictated no terms of monopoly—but Smith, *unasked*, conceded the monopoly, and they would have been recreant to their own interest if they had not accepted it. By the terms of the contract, some half dozen New York papers were utterly excluded from the right to enter the Association or to receive the news upon any terms. At that time my interests were in conflict with those of the Associated Press, and the *outside* papers in New York, knowing my ability to get on the news in advance of the arrival of the steamers at Boston, applied to me repeatedly to aid them in their extremities. I did attempt to serve them, but, though I placed the foreign news in Smith's office *hours* in advance of all others, and hours in advance, even, of the arrival of the English steamers, yet, by the *cunning knavery* of Smith and a subservient slave or *understrapper* of his of the name of *Sadler*, he was always equal to the emergency, and I could never

get a word of news off to New York unless it was addressed to the Associated Press.

I respectfully ask your especial attention, Gentlemen, to the 3rd, 4th and 5th extracts above quoted, and I also ask you to bear constantly in mind that those conditions were *voluntarily* conceded to a *select* Association of *six* out of the then existing *twelve* or *fifteen* Daily Papers in New York.—“You shall have the *exclusive right* to *admit* and to *dismiss* other parties.” You will be astonished to observe that by the 4th paragraph those six papers were unrestrained in the use to which they should apply the news—indeed, they were almost *enjoined* to use it for speculative purposes;—all Smith asked was, that if, at any time, they saw fit to give the news to “OTHER PARTIES OR PRIVATE INDIVIDUALS, he claimed a portion of the “*plunder*,” as therein set forth;—and, lest a doubt should arise as to the length of time the Association were to be allowed to prey upon the merchants, this man Smith, who now affects such a holy horror of all speculations, was particular to attach the following significant condition:—“*I will accord to you the desired authority to prevent any part of the news from leaving the office at New York UNTIL YOU CHOOSE TO SEND IT OUT.*”

I beg you will not misunderstand me—I never had reason to believe and I do not believe, that the Association, or any member of it, ever converted the news to any speculative purpose—the character and position of the gentlemen composing the Association forbids the base thought—but that F. O. J. Smith freely conceded to them the *right* to do so, so far as he was concerned, cannot be doubted nor gainsayed.

Now, Gentlemen, how does this contract, entered into between the Associated Press and this *immaculate* F. O. J. Smith, contrast with that which at present exists between you and the Associated Press? The Committee’s proposition, to which you have in all essential particulars assented, is as follows:—

NEW YORK, Dec. 29, 1849.

To the Superintendents of the Telegraph Lines between Halifax and New York:

GENTLEMEN,—Acting as a Committee of the New York Associated Press in connection with the morning papers of Boston and the Press of Philadelphia, Baltimore, and other Southern and Western cities, we are desirous of making arrangements for the receipt of foreign news from the steamers touching at Halifax, that may prove satisfactory to the public and to the parties directly concerned. We beg leave, therefore, to submit to you the following propositions:—

1. We will agree to have a despatch of at least 3000 words for each steamer delivered at the Halifax station, for transmission to us—and to pay for its transmission the following sums. For the line from Halifax to Sackville, \$75; from Sackville to Calais, \$125; from Calais to Portland, \$125; from Portland to Boston, \$50; from Boston to New York, \$100,—making in all \$475. *Provided* the

despatch shall be forwarded without interruption from the time of its receipt, by day or night, until its transmission is completed.

2. If no despatch is delivered at the Halifax station by our agent, the stipulated sum shall be paid nevertheless,—except when the telegraph shall not be in working order,—at any point between Halifax and Boston. And in that case, he shall have the option to send the despatch over part of the line or not; and the transmission of the despatch shall not be paid for on any line over which it is not sent.

3. If only part of the despatch is sent over any line in consequence of the inability of the line to send the whole, payments shall be made *pro rata* for the part sent, and for no more.

4. Any excess over 3000 words in the despatch, shall be paid for at the same rate.

5. The quotations of cotton, corn, flour, consols, and American stocks, shall be published by the papers interested in the arrangement, immediately on their receipt,—if it be at any time in the day before 3 o'clock, P. M.

6. The time of the delivery of the Despatch at the Halifax station, shall be announced to the papers at once.

7. Any failure to transmit the news within a reasonable time after its reception, shall constitute ground for a reduction of the sum to be paid,—the amount of such reduction to be at the rate of 10 per cent. for every hour of such unreasonable delay.

8. Payments shall be made by drafts on the Committee at three days sight.

9. Any newspaper shall be admitted to this arrangement, on paying, or securing payment of its proper proportion of the expenses involved, and on agreeing to abide by such regulations as the Association may find it necessary to make for the protection of the parties to the arrangement.

You will oblige by stating, before the 15th day of January, whether you are willing, on behalf of the lines under your charge, to assent to this arrangement. If we do not receive your assent before that date, our agent at Halifax has instructions to send very brief summaries of the foreign news, on the usual terms of your private correspondence.

We are very truly,

Your obedient servants,

H. J. RAYMOND,

FREDERIC HUDSON, } Committee.

The existing arrangements between the Boston and New York Associations, will be sufficiently understood by reference to the following Letter, from the Committee at New York to the Committee at Boston :

New York, 3d January, 1850.

DEAR SIR—

We duly received your Letter of the 31st ult., and delayed an answer, in order to ascertain as fully as possible, the wants of the Boston Press. We think we now understand them.

We have no desire to exclude any Paper from whatever arrangements we have made, or may make, to receive their foreign news over the wires from Halifax, and in our Letters to the Superintendents of the several Telegraph Lines between New York and Halifax, we have stated that any paper paying its share of the expenses, such as tolls, boats, horses, &c., can join the Association, and if the Evening Papers of your city wish to partake of the advantages we are supposed to enjoy, they can do so. All we desire of them is to conform to our Rules and Regulations, which are very few and very fair.

It is our intention to announce on our Bulletin, the arrival of the Steamers at Halifax, the moment it is known to us, and to announce as publicly, the prices of Cotton, Corn, Flour, Consols, American Stocks, &c. ; to publish in our after-

noon editions, the commercial news and the leading political points of the intelligence, and to publish the remainder of the news, if there happens to be any, in our Morning Editions.

These are all the Rules and Regulations we have respecting the foreign news, and we think they are fair and just.

The cost of getting the foreign news from Halifax, is, as you are aware, very great. It is a regular outlay, to be borne by the New York Papers, if no others join them in the enterprise. We feel sure, however, that the Boston Journals will continue to be a party to the arrangements. They now pay us \$100 per Steamer, and we propose to adhere to that price—they taking as many Papers in Boston as they please into the Association. We believe that the Evening Papers will see that this is fair to them, and much better than any arrangement they can make. It is however, for them to decide—we make the offer.

To shew you that we have no wish to exclude Papers, we will here mention, that within the last two weeks we have added two New York City Journals to our Association, and our arrangement with the Press of Philadelphia is, that the news shall be offered to all alike.

With the hope that this will be satisfactory to you and your Association,

We are, very truly,

Your obedient Servants,

(Signed)

FREDERIC HUDSON,

GEO. H. ANDREWS,

Committee of New York Association.

E. B. FORSTER, Esq., Committee Boston Association.

Pursuing our enquiries relative to the past usages of the western lines of telegraph, we find, by the evidence furnished in Smith's pamphlet, that in February, 1849, the line was opened between Boston and St. John, and that, by general consent, the contract then existing between Mr. Smith and the New York Association (the leading features of which I have given you in foregoing extracts) was abrogated, and L. R. DARROW, Esq., who was then as he is now the Superintendent of the New Brunswick line, was empowered by all the lines to enter into a new arrangement with the Associated Press; for which purpose he visited New York, and on the 9th day of February, entered into a contract with the same Committee and with the same Papers as Smith had contracted with on the 15th of May, 1848. The material conditions of Mr. Darrow's contract are contained in the following extracts:—

"That it is fully understood and agreed, by and between the parties hereto, that the foreign despatch for the Public Press, furnished by the said Raymond and Hudson, or other agents of the Papers above named, presented at the office of the telegraph at St. John's shall have priority over all other despatches, (except that of the Government) from the time it is delivered at said office, until the whole message shall have been transmitted to Boston.

"The said Raymond and Hudson, or their agents, shall have permission to exclude from the offices, all persons not necessarily engaged in the transmission of the messages, during the time their despatch is being transmitted. But it is expressly understood that the news so transmitted, shall be placed before the public by such papers as shall have arranged to receive such despatch, as soon

as is practicable, and that such news shall not be made known, sold, or in any way used by them, so as to be made the basis of speculation by private individuals or otherwise, to the public injury, while the news is withheld by them from public circulation."

This contract did not meet Mr. Smith's views and he refused to ratify it, as far as his lines were concerned; which he made known to the committee of the New York Association in a letter, under date, Boston, February 15, 1849; in which, after stating at some length his objections to Mr. Darrow's arrangement, he made the following proposition—(vide his pamphlet, page 33):—

"This I am ready to do,—to consider your existing contract for the press between this and New York, elongated to Portland, in terms and duration, varied only so as to allow Boston papers to come in by paying their share of expenses, and adding fifty dollars for the first three thousand words to the price of the contract, the distance being from this to Portland, very precisely one-half as much as the distance over our line, as now constructed, from this to New York—reserving the right to a copy, or synopsis of the news at Portland station. For all over three thousand words, there shall be added a pro rata price of one-half of charges on such excess, between this and New York. These are the terms I authorized Mr. Darrow to make, and carry through the entire lines,—and these I am confident will prove most satisfactory in practice to all parties concerned."

Under date, New York, Feb. 18, 1849, the Committee of the Associated Press accepted Mr. Smith's proposition in the following terms:—

DEAR SIR,—I received your Letter of the 15th inst., and have consulted with Mr. Hudson in regard to its contents,—we acting on behalf of the Associated Press of this city. We understand you to offer to transmit, from Portland to this city, without interruption, from the time of its receipt at the telegraph office in Portland, until it shall be finished, whatever summary of the foreign news may be prepared for us,—for the sum of \$150 for 3000 words or less;—the Boston Papers to have the use of the Despatch on paying to us their share of the expenses of procuring it, and we receive nothing for the use of the news at Portland. The same regulations which have hitherto prevailed between Boston and New York, under our Contract with you, are to be adopted between Portland and this city.

Here, then, Gentlemen, you have the exact understanding of the agreement entered into between Mr. Smith and the Associated Press a little over one year ago, which was continued with mutual satisfaction till about the 1st of January last, at which time, and since, Mr. Smith, in the most unjust, arbitrary and offensive manner, has peremptorily refused to allow any communication, to or from myself, to or from the Association to pass over his line—thereby subjecting me, personally, to great loss and inconvenience, and compelling the Associated Press to

maintain at an enormous expense, a locomotive express from Portland to Boston—also subjecting the whole commercial community of the United States and Canada, who rely upon the different Presses concerned in the enterprise for the foreign news, to great inconvenience, loss of time, hazard and vexation.

There is no pretence on the part of Smith or others, that the New York Association have ever violated their obligations in the slightest degree in that city or elsewhere, except in Boston. The question at issue, therefore, is brought down to a narrow compass, and may be stated thus:—what were the obligations assumed by the New York Association in regard to the publication of the news in Boston? This important question can be answered in no better way than in the language of Smith himself, and here it is: "This I am ready to do,—to consider your existing contract" [*i. e.* that of 15th May, 1848, before quoted, in which no allusion whatever was made to the Boston Press] "for the Press between Boston and New York, elongated to Portland, in terms and duration, *varied only so as to allow Boston papers to come in by paying their share of expenses.*"—I beg, Gentlemen, that you will note Mr. Smith's conditions.

Another question here arises, and that is, what was understood by the term "Boston Papers?" There can, I apprehend, be no difference of opinion, that it was the understanding between Mr. Smith and the Committee, that there should be *one* Association (not *several*) of Boston Papers, to which *all* should be admitted to share in the publication of the news upon paying "their share of expenses." A Boston Association was, accordingly, formed, and *nine* of the then *twelve* daily papers in that city immediately joined it, and through their Committee, (as you are informed by Mr. Smith, at page 12 of his pamphlet) effected a satisfactory arrangement with the New York Association, and ever after, to the present time, have been content to receive the news through the agency of the latter Association.

The nine original members of the Boston Association are still members, except the Evening Journal and Evening Traveller—the Evening Transcript not having been in the Association for some months after it was first formed. The New York Association have never had any dealings with individual presses in Boston, and it must, I think be apparent to your minds that it never was contemplated that they should have anything to do with the private or local differences that might arise between different members of the Boston Association—which Association, as I have before remarked, is now composed of the same members (with the exception of two *never-to-be-satisfied spirits*) as it was

when first formed. The seven remaining members compose a large majority in *numbers*, and in character, influence and respectability, are *infinitely* superior to their traducers. Both the Boston and New York Association have always recognised, to the fullest extent, the *Democratic* principle—the *majority must rule*—and the officers are willing disciples of “*Responsible Government*.” Other officers besides the Committee of the Associated Press have experienced a difficulty in prescribing a universal panacea, whereby every discontented spirit might be put to rest—but either the New York or Boston Association may safely challenge Mr. Smith to name a single instance wherein the *majority* have not treated with considerate respect the feelings and wants of the *minority*.

The Letter of the Committee of the New York Association to the Committee of the Boston Association (before quoted), is the best commentary that I can offer to Smith and Rogers’s charge of *unfairness*. It is certainly amusing to see how these two worthies account for the acts of the majority, and I beg to quote for you a single example, out of many, from Smith’s pamphlet. At page 9, after *spreading himself* for a *knock-down argument* upon the “confederated injustice” of the Association towards the evening papers at Boston, Smith says:—

“So in Boston; the only papers that now yield to this dictation of terms by the New York Associated Press, are *morning papers*, exclusively, and publish *no evening edition*.”—*Vide Pamphlet, Page 9.*

Then Mr. Smith’s “fast” witness and bosom friend Rogers comes before you and says:—

“Two of the *morning papers*, which send terms to us, publish *evening editions* at the same time we do.”—*Vide Pamphlet, Page 26.*

You will observe a material difference in the statements of these gentlemen, but, singular as it may appear they are *both false*—there being, as every Bostonian will readily inform you, *who has no sinister ends to meet*, three morning papers, connected with the Association, that issue evening editions, either one of which, probably circulate as many thousands of copies *every day* as the *exclusively* evening papers circulate in two, three, or half a dozen days.

The statement made by Mr. Rogers is of some importance in another aspect. He, with the address of a common *trickster*, evidently designs to have you understand much more than he has expressed. The *impression* is conveyed that whilst the exclusively Evening Papers are required to pay \$40 for news received up to 2 o’clock, yet they do not have it exclusively, because a portion of the morning papers also issue evening editions. But I most positively deny the specious falsehood which Rogers attempts to smuggle before you. The *true meaning* and

intent of the proposition on the part of the Association is that the *exclusively Evening Papers* shall have the *exclusive right* to the *first publication of the news*, up to 2 o'clock, in the same sense, exactly, as the *exclusively morning Papers* have the right to the first publication of the news, when it is received during the evening or night.

I have had, before, as I do now, Gentlemen, to regret that my situation here, forces me to forego the wish I feel to lay before you documentary evidence to substantiate all my positions. The urgency of an immediate reply to Smith's pamphlet leaves me no alternative but to employ such weapons of defence, and such only, as he has placed within my reach. I ask you to receive no statements from me that have not a reasonable foundation in fact—and I entreat that you will suspend your judgment, if you have doubt upon any important contested statement, until I can have time to produce unequivocal evidence, which I pledge myself to do upon any and every required point.

Mr. Smith has seen fit to attack the statements contained in my letter to you, of January 24, and by resorting to the *trick* of misquoting my language, he certainly makes out a plausible story. As to the *honesty* of this species of warfare, *that*, of course, never entered into his calculations. For the purpose of convenient reference, I here annex a copy of my note to you.

HALIFAX, January 22, 1850.

To the Honorable J. Howe, G. R. Young & W. Murdoch:

GENTLEMEN:—Your note is received, and in reply to your enquiry would say, the *Boston Associated Press* have, by consent of *New York Associated Press*, exactly the same right to control the news in *Boston*, that the *New York Press* have in *New York*. And both Associations are pledged to give all the material points of the news to the whole public, *immediately* on their receipt of their copy from the telegraph office. And this *they do*, invariably, when the news reaches them in *business hours*. The evening papers of *Boston* have been *invited* to join the *Boston Association*, repeatedly, with the privilege of publishing, *exclusively*, the *entire despatch*, when received previous to the close of business hours, (which is the hour that they go to press,) and all this for the paltry sum of \$40, which is not *one fourteenth part* of the ordinary expense of every despatch to the *Associated Press*.

Very truly, &c.

D. H. CRAIG.

Mr. Smith's comments on this letter, on pages 6 and 7 of his pamphlet, are as follows:—

"By turning to that letter again, you will see, that it proves so much, the wonder is, you had not deemed the truth of it questionable, *on the face of it*."

"It asserts, that the *Boston evening papers* have been offered, not only the privilege of participating in the news of the *New York Associated Press*, provided they would pay "a ratable proportion of the cost,"—but, provided, they would pay a sum "which is not *one fourteenth part* of the average expense of every despatch."

"It is not true, what Mr. Craig says in his letter to you of the 14th ult., that the *Associated Press* in *Boston* have "the same right to control the news in *Boston*, that the *New York Press* have in *New York*."

"It is *not true*, that the Boston Press have a right to publish the news, at any hour of the day or evening, without the consent of the New York Press; and, it is *true*, that the New York Press can publish it any hour of the day or evening, without the consent of the Boston Press."

I think it would puzzle any less *ingenious* individual than Mr. Smith to extract from my letter to you any such incongruity of expression as is set forth in the second paragraph above.—Had the *bare truth* served Mr. Smith's purpose, he might have stated it in my own words in half the space that it required to twist it into a position that would afford him an opportunity to attack it to advantage. You observe that I said the evening papers had been invited to join the Association, and had been offered the entire despatch of 3000 words, or "so much of it as should arrive up to the close of business hours," (i. e. 2 o'clock, at about which hour the Evening papers go to press, Banks and Insurance offices close, and merchants retire to their homes), "for forty dollars, which is not *one fourteenth part* of the *ordinary expense of every despatch to the Associated Press*"—the *New York Association* being, of course, understood. Smith seemingly takes issue upon this statement and wonders you should not have regarded it as "questionable on the face of it." I am quite willing to leave the matter to your enlightened judgment, with such evidence as is before you—from which it would appear that the *tolls* for 3000 words to New York amount to \$475, to which should be added about \$100 for other incidental expenses, making the total sum near \$600. The Boston Association pay the New York Association \$100, and probably the Southern and Northern Presses may pay them some \$250 more towards this sum of \$600, which still leaves a heavy sum to be met by the New York journals. Besides, the New York Association are the contracting parties with the different Lines of Telegraph, and should all other Associations break their connection and contribute nothing, the parties to the contract in New York are bound to pay the whole sum—and *would do it, too*, with less *grumbling* than either of the Boston Evening Papers would make at paying the paltry sum of \$14 each.

For myself, I can see no impropriety in presses out of New York conceding *something* to the wishes of the Association in that city—but I *utterly and unequivocally deny* the statements of Smith and Rogers that any inequality exists, *practically*, between the Boston and New York Associations, in the management of the news despatch. (I have again to regret that I have not at hand proper documents to substantiate my assertion—but it is a question that you can easily have put at rest by applying to any one of the Boston Association.) I also assert, as a fact within my personal knowledge, that the rules adopted by the New York Association, (as embodied in the Committee's letter to E.

B. FOSTER, Esq., herein before quoted,) were written at the suggestion of the *Boston Association*—or, at least, by a majority of its members. This I *know*, because I was myself the *bearer* of those suggestions from members of the Boston to the New York Association. Every wish that was made known to me in a full interchange of sentiment with the Boston, I faithfully made known to the New York, Committee in a personal interview with them, on the day those rules were written out—and *every wish*, so expressed, was by them promptly and cheerfully conceded.

Hence it was that there appears a discrepancy as to the hour of publishing the news in the afternoon, between the circular proposition of the Committee to the different Telegraph Lines, and the same Committee's letter (embodying the rules by which the Associations were to be governed) to Mr. FOSTER—the one stating 3 o'clock (that hour having been proposed by the New York Association) and the other, 2 o'clock (which was the hour named by the Boston Association.) *Two* o'clock was, therefore, the hour fixed upon for publishing the news. In this connection it should not be forgotten that *both* Associations place upon their Bulletin Boards *instantly* upon its receipt, every *leading feature* of the news—the *markets especially*. Speculation, therefore, is out of the question—it is impossible.

I also reiterate my assertion, and I do so as a fact within my own knowledge—having been the medium of communication between the two Associations—that the Boston Associated Press *have* "the same right to control the news in *Boston*, that the New York Association have to control the news in *New York*." The latter Association could not, without violating their pledged word—conveyed through me to the Boston Press—publish the news at any different hours than those named, or make any other material alteration in existing arrangements, without the concurrence of the Boston Association. If, upon your making the necessary enquiries of the parties interested, the foregoing statements are not fully corroborated, I pledge myself to withdraw the existing rights of the New York Associated Press to any use of the Telegraph, and leave the coveted *honour and glory* of publishing the foreign news exclusively to the Boston Evening Papers.

It is no part of my business to defend the different Telegraph Lines from the impertinent interference of Smith,—they, through their officers, are abundantly able to defend themselves; and I hazard little in the belief that they will spurn his impudent attempts to control the free exercise of their own sense of what is right and proper. I think I know them too well not to feel sure they will manage their own business in their own way—regardless of Smith's impotent *threats*, as of the senseless howlings of those

who call everything a *monopoly* that interferes with their private gains.

The justice and expediency of the present arrangement between the Associated Press and the different Lines of Telegraph, has, I am well aware, been questioned by other parties besides Mr. Smith—but I believe it to be quite true that there are few indeed, who understand the true merits of the case, or who have not some *personal end to answer*, who now object to the arrangement. It is admitted upon all hands, that, without the patronage of the United States Press, the Telegraph Lines between Halifax and Portland could not be sustained. Mr. DARROW the Superintendent of the New Brunswick Line, in his letter to Mr. Smith, remonstrating against Smith's threat of breaking off the arrangement with the Associated Press, says:—

"We are dependant, almost wholly, on your decision; and if you determine to adopt the rules you speak of, we shall be obliged to bow to your decision, and to do so, we are satisfied, will be death to this line. (There is no alternative that we can see. And for myself, I beg my friend, that you will take into consideration, that I have expended a very large sum from my own purse on this line, and if the measures you object to in your letter, are not sustained, I shall lose the whole sum, together with my services for two years, as the stock will not be worth one penny, under the circumstances you seem disposed to place it in."—(*Vide Smith's Pamphlet, Page 21.*)

Again, in another letter to Smith, page 23, Mr. Darrow says:—

"Of one thing, sir, we feel certain. That whether you cut us off at Portland as you propose, or we accede to your demands, as a company we are equally ruined. Our stocks would not be worth one fraction either way, and we shall have the satisfaction of knowing that the dicta of a single individual has done this for us."

The above facts, it is believed, apply with far greater force to the Maine Line than to the New Brunswick Line, and though I am well aware that the Nova Scotia Line, being the property of the Government, can afford to discard all considerations of *profit*, yet, who will say that because your Line is placed above the want of dividends, that you should not have some respect for the necessities of those Lines with which yours is connected, and which are less favored by fortune than yours is? Certain it is, that if there had not been a confident reliance upon the patronage of the Press, by those who invested their money, the Lines between Nova Scotia and Boston would not have been built, and of course your Line, even if it had been constructed, would have been, practically, of no avail.

If, then, the patronage of the Press is indispensable to sustain the Lines with which yours is connected, what more equitable arrangement can be devised than the present one with the Associated Press? The idea that more than *one* public despatch will be sent over the wires is a perfect *fallacy*—and not less so, in my judgment, is the idea that expediency or propriety requires

that you should break off your connection with all the leading commercial journals of the United States, because two or three insignificant Evening Papers in Boston have seen fit to withdraw from the Association, without any sufficient reason, unless it is to be found in the fact that Charles O. Rogers, one of the proprietors of the Evening Journal, is not permitted to ride, roughshod, over the seven morning papers, and *dictate* to the Association in the same imperious style that his friend Smith has attempted in regard to the management of your line of Telegraph.

In conclusion, Gentlemen, I cannot doubt but that you will spurn the senseless remarks of Mr. Smith relative to the speculative objects of myself and of the Associated Press. He offers you no proof, *nor can he offer you any*, that every existing obligation of the Associated Press is not cheerfully, fairly, and promptly complied with; and no person, save a knave or a fool, would presume to urge objections against the arrangements between the Telegraph and the Press, on the score of the news being used for speculative purposes—when the fact is not denied by their most bitter enemies that they comply in strict good faith with their obligations to publish, in a conspicuous form, the European prices of cotton, flour, corn, English consols, American stocks, &c., &c., the moment the news reaches them.

Gentlemen, it is easier to throw a brick than to mend the glass that may be broken—so, too, it is easier to make charges than to refute them, however false they may be. I have felt the force of these truisms more than once since I set down to reply to Smith's pamphlet. I have intended to take up only such portions of his remarks to you as were most important, or as appeared most likely to mislead your judgment and the feelings of Honorable Members of the Assembly, who, it is understood, have been appealed to in various ways, by Smith and his friends, and who, I understand, will soon be called upon to indicate their views upon your official conduct—in the favorable opinion of which, so far, especially, as the interest of the Associated Press is concerned, I cannot but feel, and trust that I may, without appearing impertinent, rightfully express, some solicitude.

With an apology for the length of this communication, which has been prepared in great haste, and consequently without an opportunity to condense and arrange my ideas as I could have wished,

I have the honor to remain,

Gentlemen,

Your obedient servant,

D. H. CRAIG.

Agent New York and Boston Associated Press.